

HELM

FINANCIAL CORPORATION

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Via USPS Priority Mail

May 27, 2004

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

RECORDATION NO. 23168-555 FILED

JUN 04 04

4-27 PM

SURFACE TRANSPORTATION BOARD

RE: PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") dated as of May 19, 2004, by **FLEET NATIONAL BANK**, a national banking association ("**Fleet**") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

Dear Mr. Williams:

On behalf of Helm Financial Corporation, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Four (4) fully executed original copies of the above referenced Partial Termination.

In connection with the recording of this Partial Termination, please note the following information:

Name and Address of Helm: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

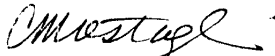
Name and Address of Fleet: Fleet National Bank
Transportation Division
100 Federal Street
Boston, MA 02110

Equipment: Seventy-eight (78), gondola railcars marked within series CR 585300-589054 n.i.

Please record this Partial Termination as a supplement agreement to STB Recordation No. 23168 filed on October 18, 2000 at 2:43 p.m. Helm's check covering the \$30.00 filing fee is enclosed.

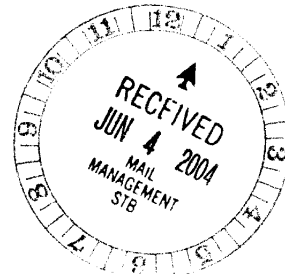
Summary: Partial Termination of Security Agreement dated as of May 19, 2004, by Fleet National Bank, a national banking association ("**Fleet**") as the Agent for the Lenders, as defined in the Credit Agreement, for the benefit of Helm Holding Corporation, a California corporation, Helm Financial Corporation, a California corporation (collectively, "**Helm**"), for the seventy-eight (78) gondola railcars marked within series CR 585300-589054 n.i., to be filed as a supplemental agreement to STB Recordation No. 23168.

Yours truly,



Cecilia Mostaghim
Contract Administrator

/cm
Enclosures (4)



**PARTIAL TERMINATION OF
SECURITY AGREEMENT**

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of May 19, 2004, by **FLEET NATIONAL BANK**, a national banking association ("**Fleet**") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

1. **Recitals.** Helm owns the rail equipment bearing the Association of American Railroad reporting mark and numbers as described in Exhibit A attached hereto (the "**Units**"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "**Collateral**"), to Fleet upon the terms and conditions provided in that certain Security Agreement dated as of October 18, 2000, between Helm and Fleet (the "**Security Agreement**") as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on October 18, 2000 at 2:43 P.M. under Recordation No. 23168. The Security Agreement was executed in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, among the Borrowers, Lenders and Agent as defined therein (the "**Credit Agreement**").

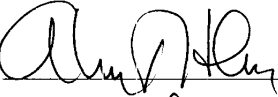
Helm intends to sell the Units to a third party and desires that such sale shall be free and clear of any lien or security interest of Fleet. Helm requests Fleet's consent to such sale of the Units and requests Fleet to terminate its lien and security interest in the Units.

2. **Consent & Partial Termination.** Fleet hereby consents to the sale of the Units by Helm. Fleet hereby forever terminates any and all liens and security interests in the Units granted to it under the Security Agreement. Such liens and security interests in the Units shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of Fleet's right, title and interest in and to the Units shall be null and void.

This Partial Termination shall have no effect on Fleet's lien and security interest in any other Collateral other than the Units and said lien and security interest in such other Collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, Fleet has executed this Partial Termination of Security Agreement as of the date first above written.

FLEET NATIONAL BANK, as Agent

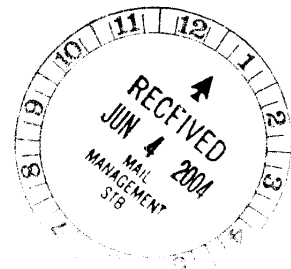
By: 
Print Name: Anthony D. Healey
Its: Authorized Officer

RECORDATION NO. 23168-555 FILED

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SURFACE TRANSPORTATION BOARD



W

STATE OF MASSACHUSETTS)
) S.S.
COUNTY OF SUFFOLK)

On May 20th, 2004, before me, Maria G. Rosano, personally
appeared Anthony D. Healy, Authorized Officer of FLEET NATIONAL BANK

☒ personally known to me -OR-

☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Maria G. Rosano
SIGNATURE OF THE NOTARY

[Notarial Seal]

cm

EXHIBIT A

To the **PARTIAL TERMINATION OF SECURITY AGREEMENT** dated as of May 19, 2004.

Description of the Units: Seventy-eight (78), 52'6", 100-Ton Gondola Railcars.

Reporting Marks			Built Date	Reporting Marks			Built Date
1	CR	585300	196406	40	CR	589015	196507
2	CR	585301	196406	41	CR	589016	196507
3	CR	585302	196406	42	CR	589017	196507
4	CR	585303	196406	43	CR	589018	196507
5	CR	585304	196406	44	CR	589019	196507
6	CR	585305	196406	45	CR	589020	196507
7	CR	585306	196406	46	CR	589021	196507
8	CR	585307	196406	47	CR	589022	196507
9	CR	585308	196406	48	CR	589024	196507
10	CR	585309	196406	49	CR	589025	196507
11	CR	585310	196406	50	CR	589026	196507
12	CR	585329	196406	51	CR	589027	196507
13	CR	585330	196406	52	CR	589028	196507
14	CR	585331	196406	53	CR	589029	196507
15	CR	585332	196406	54	CR	589030	196507
16	CR	585333	196507	55	CR	589031	196507
17	CR	585337	196507	56	CR	589032	196507
18	CR	585338	196507	57	CR	589033	196507
19	CR	585339	196507	58	CR	589034	196507
20	CR	585340	196507	59	CR	589035	196507
21	CR	585401	196507	60	CR	589036	196507
22	CR	585402	196507	61	CR	589037	196507
23	CR	585405	196507	62	CR	589038	196507
24	CR	585408	196507	63	CR	589039	196507
25	CR	589000	196507	64	CR	589040	196507
26	CR	589001	196507	65	CR	589041	196507
27	CR	589002	196507	66	CR	589042	196507
28	CR	589003	196507	67	CR	589043	196507
29	CR	589004	196507	68	CR	589044	196507
30	CR	589005	196507	69	CR	589045	196507
31	CR	589006	196507	70	CR	589046	196605
32	CR	589007	196507	71	CR	589047	196605
33	CR	589008	196507	72	CR	589048	196702
34	CR	589009	196507	73	CR	589049	196702
35	CR	589010	196507	74	CR	589050	196702
36	CR	589011	196507	75	CR	589051	196702
37	CR	589012	196507	76	CR	589052	196703
38	CR	589013	196507	77	CR	589053	196703
39	CR	589014	196507	78	CR	589054	196709

Call